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### **CAFTA Foes' Short-Sightedness Hurts U.S.**

Democrats and a smattering of short-sighted Republicans apparently have a death grip on the proposed free-trade pact with Central America.

That's bad for Nebraska, which would see tariffs for agricultural products disappear, opening new markets for exports like beef.

And it's bad for the Central American countries — Costa Rica, El Salvador, Honduras, Guatemala, Nicaragua and the Dominican Republic — that would benefit from the removal of trade barriers.

President Bush proposed the pact almost a year ago, but it seems to have stalled in Congress after attacks by labor unions, protectionists, liberal farm groups, antitrade zealots and the powerful sugar lobby.

Opponents boasted in Congress last week that they had the votes to kill the Central American Free Trade Act if it were put to a vote in the House of Representatives. Democrats generally oppose the pact because of their solidarity with U.S. labor unions. Republicans who oppose CAFTA generally represent districts with textile or manufacturing industries or sugar producers.

Most of the Central American nations covered by the agreement already have preferential trade treatment. The pact would make permanent that access to U.S. markets in return for gradual elimination of tariffs for U.S. products.

A study by Iowa State University economist Dermot Hayes estimated that CAFTA would lift hog prices by 36 cents a head. The American Farm Bureau estimated that Nebraska's 3rd House District alone would gain from \$25 million to \$44 million when the trade agreement is fully implemented. The National Cattlemen's Association estimated that beef exports to Central America would rise from \$12.5 million to \$41 million a year.

Critics might have a point that trade agreements such as CAFTA should be matched by more help for U.S. workers who lose jobs to foreign competition.

But history shows that the occasional short-term pain that comes with free trade is more than matched by improvement in overall prosperity for trading partners.

While critics of CAFTA try to portray themselves protecting the interests of impoverished workers in Third World countries, in reality they are holding back their economic progress. Even the liberal New York Times editorialized that CAFTA would be a win for Central American workers: "Denying poor people in Central America the benefits of better access to the American market is certainly not the way to lift them out of poverty."

The demise of CAFTA is not yet assured. But if opponents are successful in killing the pact, the only thing they will have achieved is harming long-term U.S. interests.